



# County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE BRATHWAITE BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

August 27, 2003

To: Supervisor Yvonne Brathwaite Burke, Chair  
Supervisor Gloria Molina  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

## UPDATE ON CITY OF AZUSA AMENDMENTS TO THE MERGED CENTRAL BUSINESS DISTRICT AND WEST END REDEVELOPMENT PROJECT (FIRST DISTRICT)

On June 27, 2003, this office informed your Board via memorandum of our initial concerns regarding the Proposed Azusa Amendments to the Merged Central Business District and West End Redevelopment Projects. Our concerns pertained to: 1) a proposed increase to the combined tax increment limit for both projects without meeting Community Redevelopment Law (CRL) requirements or obtaining your Board's written approval (required per existing pass-through agreements), and 2) certain added property not meeting blighting requirements consistent with CRL. Over the past few months, my staff has met with Redevelopment Agency of the City of Azusa ("Agency") staff to discuss County concerns and to review additional blight information not previously available.

### Tax Increment Limits

In regard to the proposal to increase the combined tax increment limit for both projects, Agency staff and my staff have agreed on a solution that would hold the County harmless of any fiscal impact while providing the Agency flexibility in administering their projects. Outlined in a letter from the Agency (attached), the agreement calls for the creation of a combined increment project cap for both redevelopment projects that would not exceed an amount had the projects continued separately. Written approval of the proposed combined tax increment cap will be required by your Board in order to amend language in an existing agreement. A recommendation for approval of this amendment will be provided for your Board's consideration within the next few weeks.

Each Supervisor  
August 27, 2002  
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### **Blight Findings**

After thoroughly reviewing additional blight information for properties proposed to be included in the existing Central Business District, my staff continues to be concerned that one property in particular referred to as Area 1, does not meet blighting requirements consistent with CRL. Area 1 consists of a single parcel consisting of a super market, laundry mat, video store, Chinese restaurant, and bakery. Despite our concerns, the Agency has informed my staff of their intent to pursue inclusion of Area 1 into the redevelopment project. Consistent with Board policy, I will be submitting written objections to the inclusion of Area 1 at their September 2, 2003 public hearing. However, since we believe the benefits of the redevelopment Amendments as a whole outweigh the inclusion of a single non-blighted property, we do not recommend any further action beyond the submission of the Statement of Objections.

### **Inclusion of County Unincorporated Parcels**

Your Board has previously authorized Azusa to include three adjacent County parcels in the study for the redevelopment project. Your Board will also need to authorize the final plan for these parcels and we will include this matter in the same Board letter as the agreement amendment.

We want to take this opportunity to thank Azusa Agency staff for their collaborative and cooperative posture throughout this effort, and their consistent willingness to hear and respond constructively to our concerns. We believe the resulting project serves the interests of both the City and County.

If you have any questions, please call me, or your staff may call Jerry Ramirez of my office at (213) 974-4282.

DEJ:LS  
MKZ:JR:os

Attachment

c: Lloyd W. Pellman, County Counsel  
J. Tyler McCauley, Auditor-Controller  
Rick Cole, City Manager, City of Azusa  
Michael Hennessey, Interim Director of Redevelopment, City of Azusa

Redevelopment Agency/Economic Development  
The Canyon City — Gateway to the American Dream

2003 AUG 27 PM 2: 52  
CHIEF ADMINISTRATIVE  
OFFICE



August 25, 2003

David E. Janssen  
Chief Administrative Officer  
County of Los Angeles  
713 Kenneth Hahn Hall of Administration  
Los Angeles, CA 90012

Subject: PROPOSED AMENDMENTS TO THE MERGED CENTRAL BUSINESS DISTRICT  
AND WEST END REDEVELOPMENT PROJECTS

*David*  
Dear Mr. Janssen:

As you may be aware, the Redevelopment Agency of the City of Azusa ("Agency") is proposing to amend the merged Redevelopment Plans for the Central Business District and West End Redevelopment Projects to, among other things, add territories, re-establish its eminent domain authority, and combine the existing tax increment limit. At the last meeting of July 21, 2003 between our respective staff, agreement was reached on the manner of calculating the combined tax increment limit for the aforementioned amendments. This memo is meant to memorialize that agreement, the combined tax increment limit amount, and the manner by which that amount was calculated.

The combined tax increment limit for the Merged Projects, including the Added Areas, will be the sum of the following data:

- The existing tax increment limit for the Central Business District Redevelopment Project, which is \$28.9 million.
- The maximum possible amount remaining in the life of the West End Redevelopment Project. This amount is determined by multiplying the Project's existing \$3 million annual tax increment limit by the 20 years remaining in the life of the project.
- The amount of tax increment the Agency has received to date from the West End Redevelopment Project. This amount, according to the latest Remittance Advice from the County of Los Angeles Auditor-Controller Tax Division, is \$26,031,075 and is exclusive of amounts paid to County taxing entities through August of 2003, the final disbursement of 2002-03 revenues.

CBD		\$28,900,000
West End (remaining)		60,000,000
West End (received date)	to	26,031,075
Total		<hr/> \$114,931,075

Per the above information, the proposed tax increment limit for the Merged Projects is \$114,930,000.

If you have any questions, you can contact me at (626) 812-5238.

REDEVELOPMENT AGENCY OF THE CITY OF AZUSA

Rick Cole



Executive Director